



Apple Inc Advertising Strategy

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Abstract: This study aims to find out the results of an analysis of Apple Inc. in developing its marketing advertising strategy, especially related to the increase in advertising that is Apple's trademark. The method used in this study uses qualitative research methods and literature review. The results of this study indicate that Apple adapts User Generated Content (UGJ) to promote its products on social media, namely product placement on influencers/public figures, which are commonly called endorsements and "buzz" generated by positive reviews in the media. Apple nonetheless created a simple promotional concept that led to loyal customers with an unprecedented market share. Even the products themselves are kept sleek and minimal, with simple color schemes and clean, uncluttered designs.

Keywords: Apple Inc, Advertising Strategy

INTRODUCTION

Indonesia is a country that has a large population of smartphone users. We can observe that from the age of children to adults, we can often see using smartphones with various benefits and purposes. This causes smartphone products to always update the model as well the sophistication or specifications of these products considering the number of smartphone users in Indonesia is relatively much in demand.(Koeswandi et al., 2017). With millions of benefits felt by its users, smartphones are used in almost all fields, both for doing business, browsing, playing games (gaming) and even seeking knowledge.(Monavia Ayu Rizaty, 2022). This makes the smartphone always loyal to be a friend everywhere and it can be said that the smartphone is a human need that is felt for something that should be fulfilled by Indonesian people in today's 4.0 era.(Shen et al., 2020).

The strategies undertaken by the company also vary, such as offering a product with attractive packaging, affordable prices or strategic sales locations. In addition there is also marketing in the form of advertising in a number of media. These various marketing tools are not only used to introduce the existence of a product, but also provide knowledge about the benefits of a product so as to create a desire to buy it(Kotler & Armstrong, 2018). Technology devices and the internet are two things that are inseparable for humans in this era, so these conditions provide enormous potential in product advertising efforts. In fact, in

2020, advertising spending on online media has reached IDR 24.2 trillion (Shen et al., 2020). This shows the high enthusiasm of companies integrating mobile advertising systems into marketing plans.

One of the technology products marketed in Indonesia is Apple. This company was originally named Apple Computer Inc. which carried out the process of creating product development and marketing smartphone devices, computers and so on.

In this case, it can be seen that sales of Apple products in Indonesia per 2022, as reported by (Monavia Ayu Rizaty, 2022), Apple Inc managed to record net revenues of US\$221.22 billion in the second quarter of 2022. That number increased 9.95% (year-on-year/yoy) compared to last year's second quarter revenue which amounted to US\$201.02 billion. Most of Apple's net revenue in this period came from iPhone sales, which were valued at US\$122.19 billion or 55.23% of the company's total revenue. Next, services such as Apple Music, Apple TV+, Apple Arcade, iCloud+, Apple News+, and Apple Fitness+ are ranked as the second largest contributor, with total sales of US\$39.33 billion or around 17.77% of Apple's total revenue. Then net sales of Apple devices and accessories amounted to US\$23.50 billion or 10.62% of the company's total net sales. Meanwhile, Mac sales were recorded at US\$21.28 billion or 9.61% of total sales. and iPad net sales of US\$14.89 billion or 6.73% of the company's total net sales. By region, Apple's largest net sales came from the Americas, namely US\$92.37 billion or 41.75% of the company's total net sales. Followed by Europe 23.97%, China 19.94%, Japan 6.7%, and the rest of the Asia Pacific region 7.61% (Monavia Ayu Rizaty, 2022).

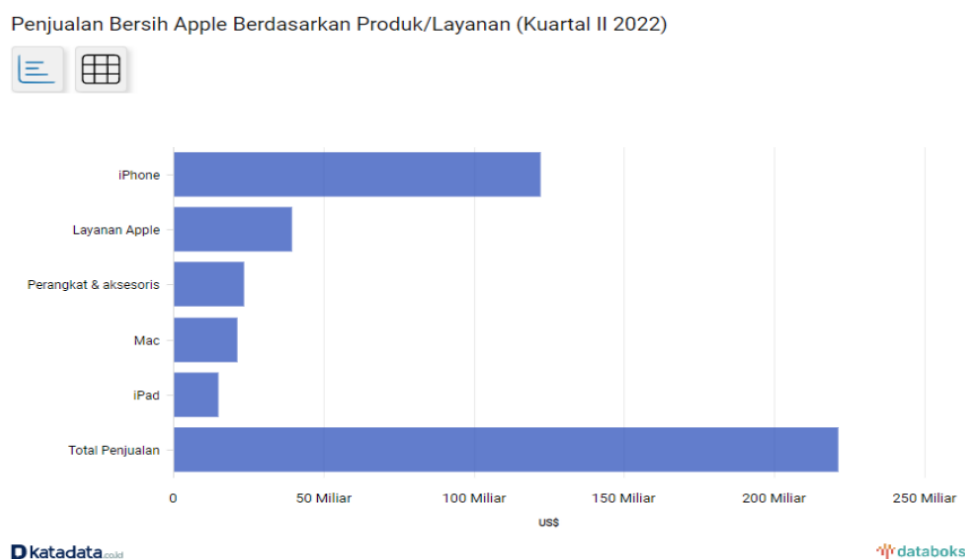


Figure 1. Sales of Apple Products in the Second Quarter of 2022

Based on these data the author wants to examine the advertising strategy implemented by Apple Inc. in Indonesia.

LITERATURE REVIEW

Advertising

Advertising is probably one of the biggest industries in existence today, and it will not disappear as long as there are buying and selling activities, or even as long as humans still have needs. All parties involved in the advertising process do the same, namely listening, reacting, and talking until a satisfying exchange relationship is created. Exchange of information, persuasive explanations, and negotiations are all part of the process (Batra & Keller, 2016).

Advertising is a marketing tool used by companies to promote their products or services to potential users. This includes messages and product images presented by the company to potential consumers and stakeholders. Another definition of advertising is a communication activity carried out by buyers and sellers which is an activity that assists in making decisions in the field of marketing and directs exchanges to be more satisfying by awakening all parties to do better.(Civelek et al., 2021).

Advertising Strategy

Advertising Strategy in detail explained by(Moriarty et al., 2014)as a form of Strategic Planning implementation. Starting from the Corporate Plan which produces Corporate Strategy and then Corporate Tactics. Then produce Functional Level Planning and Marketing Plan which in turn produce Marketing Strategy and Marketing Tactics. One form of implementation of Marketing Tactics is to produce an advertisement. Starting from the Advertising Plan stage (planning advertising) which will produce an Advertising Strategy (Advertising Strategy), and ending with Advertising Tactics. A clearer explanation can be seen from the concept image below.

Types of Advertising Strategies

The first type of advertising strategy is claimed to be effective in influencing consumers directly through different marketing channels (influence marketing). Generally, marketers who apply content-based advertising will market ads with clear and targeted brand messages (direct marketing) so that companies are able to reach as many prospects as possible quickly. Even though content advertising has characteristics similar to content marketing, content advertising is actually more focused on brands, instead of just advertising business products or services. This type of advertising is comparing a brand with competitors in the same business or better known as comparative advertising. Not only that, this type of advertising can also apply content advertising at certain moments, known as seasonal advertising. Seasonal advertising will advertise and market special products or services according to special moments that many consumers celebrate (seasonal product marketing). This content advertising strategy will be maximized if it utilizes native advertising principles.

Pull Advertising

Pull advertising is an advertising strategy that is generally implemented when the brand is well known and has a good position in the market (brand position). This type focuses on acquiring many customers (customer acquisition), this strategy aims to maintain a positive impression of the brand in the minds of consumers during the customer journey. Almost the same as pull marketing, pull advertising focuses on business goals in meeting customer demands (demand management). So as to identify and manage brands (brand management) and customer loyalty in the long term (business continuity).

Push Advertising

In contrast to pull advertising, push advertising is more suitable to be implemented when promoting a new product or service as a strategy to introduce the brand more broadly, get the best position in the market (market positioning), and generate lots of business sales. This type of advertising strategy is generally associated with guerilla marketing, which is a type of advertising marketing in which a company uses surprise and innovative, unconventional interaction as a cost-effective promotional strategy. In many cases, push advertising also goes hand in hand with a pricing strategy. For example, offering lower prices on newly released products to produce effective mass marketing and the best brand authority.

Ownership Advertising

In an ownership advertising strategy, businesses will make customers participate in advertising campaigns. In this type of ad there is User Generated Content (UGC). UGC is defined as original content created by a brand's audience. The content also varies and can be anything, from comments on blogs, photos, and videos. Companies that own a brand use audience-generated content for many purposes, indirectly making other potential customers buy the company's products. And by sharing on customers' social media platforms, brands will make customers advocate for their products to their friends and family (advocacy marketing).

METHODS

In this study, it was written using qualitative research methods and literature review in order to help get many or various descriptions through the factors that influence the results of the object under study. In this study, the initial step used was to collect information from online journal article literature through Google Scholar, Mendeley, and Emerald.

The qualitative research method is discussed in depth in the section entitled Review of Literature, as a basis for making comparisons with the results of previous research or the findings contained in the study. This qualitative study is an exploratory study (Saputra & Ali, 2022).

The research design is Literature Review or literature review. Literature research or literature review (literature review, literature research) is research that examines or critically reviews knowledge, ideas, or findings contained in academic-oriented literature, and formulates theoretical and methodological contributions for certain topics (Cooper et al., 2010).

The nature of this research is descriptive analysis, namely the regular breakdown of the data that has been obtained, then given an understanding and explanation so that it can be well understood by the reader.

FINDINGS AND DISCUSSION

Apple Inc. Profile

Apple Inc. was founded on April 1, 1976 and changed to Apple Computer, Inc. on January 3, 1977. On January 9, 2007, the word "Computer" was dropped to reflect Apple's focus on electronics following the launch of the iPhone. Apple was founded by 3 people namely Steve Jobs, Steve Wozniak and Ronald Wayne. Steve Wozniak is an electronics hacker. In 1975, he worked at Hewlett-Packard (HP) and helped one of his colleagues, Steve Jobs design video games for Atari. Ronald Wayne is almost never mentioned in Apple's history because Wayne left Apple 12 days after the company was founded. Ronald Wayne is Apple's partner at Atari and holds 10 percent of Apple's shares.

Headquartered in Cupertino, California, Apple designs, develops, and sells consumer electronics, computer software, and online services. Hardware that Apple manufactures includes iPhone smartphones, iPad tablet computers, Mac personal computers, iPod portable media players, Apple Watch smartwatches, Apple TV digital media players, and HomePod smart speakers. The software Apple produces includes the macOS and iOS operating systems, the iTunes media player, the Safari web browser, and the iLife and iWork creativity and productivity tools, as well as professional applications such as Final Cut Pro, Logic Pro, and Xcode. Its online services include the iTunes Store, iOS App Store and Mac App Store, Apple Music and iCloud. In August 2011, Steve Jobs stepped down from his post as CEO due to health issues and was replaced by Tim Cook. Two months later, Jobs died. His death marked the beginning of a new era for the company.

Apple Inc's vision is "Apple on every table". The purpose of this vision is that Apple has a target that everyone uses products from Apple, whether in the form of an iPhone, Mac Book, or iPad.

Apple Inc's mission is "Apple sparked the personal computer revolution in the 1970s with the Apple II and reinvented the personal computer in the 1970s with the Macintosh. Apple is committed to bringing the best personal computing experiences to students, educators, professionals, creatives and consumers around the world through innovative software, hardware and Internet offerings." The mission explains that Apple products can penetrate all walks of life. Coupled with empirical data on fantastic sales of Apple products in the second quarter of 2022, it can be said that Apple Inc. is able to realize the vision and mission.

Apple Inc. Culture

According to research conducted by the Department of Economics at the University of Warwick, happy employees have a 12% higher productivity rate than other employees. Several world technology companies such as Google, Facebook, and Apple won awards as the top 100 Best Places to Work in 2021 at the Glassdoor Employees' Choice Awards. Google is ranked 6th, Facebook is ranked 11th, and Apple is ranked 31st. Some of the characteristics of the corporate culture that have brought Apple to its current position are Top-notch Excellence, Creativity, Innovation, Secrecy, and Moderate Combativeness(Vania, 2021).

Apple has a work culture that requires its employees to continuously innovate. Every individual must work as well as possible so that they can continue to advance and survive amid global competition. Initially, Apple formed a culture team, then they conducted a cultural assessment and formulated new values and slogans. Then the company began to carry out internal campaigns for this, and for that Apple often invited experts or reliable motivators to speak in front of their employees about new culture and change.(Vania, 2021). Even Apple also conducts dialogue with employees at all levels regarding the best events that have ever been experienced by Apple company employees. The best events are events where success is achieved, with passion-enthusiasm, self-confidence, and triggering the birth of a desire to develop oneself. This then forms a tagline "Think Different" as the estuary of all work culture in the company(Son, 2021). The tagline was then developed into ten organizational cultures that all Apple employees believe in and these are: Always motivate employees to work; Always focus on the core of the problem; Appreciate the services of investors; Always do important things internally; Strengthen marketing; Control emotions; Always pay attention to details; Help people do activities comfortably; Constantly trying to create something useful; Dare to think differently.

Apple Inc strategy

Apple has several strategies in running its business. Tim Cook wrote on the Yahoo Finance page (2014) in(Son, 2021)gave a statement that had been stated by his predecessor, namely Steve Jobs, that they had 4 pillars of strategy, including: Offering a small number of products; Focusing on the high end-product (premium) market segment; Giving priority to revenue gains over expanding market share; Creating that "halo" effect that makes people always need, want Apple products.

To create a halo effect, Apple adopts its own ecosystem for each of its electronic devices. This system is made so that every device can be connected. It's different with Samsung, which adopts an Android-based system. It will compete in the Android-based mobile market such as Vivo, Oppo, Xiaomi and others(Son, 2021).

Apple Inc. Marketing Strategy

Apart from the four pillars, Apple also uses the Endorsement system to be part of its marketing strategy. In supporting its strategy, Apple endorses public figures. The news portal Findmysoft (2017) writes that there are at least 10 celebrities promoting one of its "Siri" products, such as Samuel L. Jackson, Zooey Deschanel, John Malkovich, Penelope Cruz, Dwayne Johnson and many more. The public figures chosen generally have great influence because they have a large number of fans and are spread globally. Each of them portrays himself as a figure who is at the peak of his career, a testament to success in life, so that they are considered icons of that field, the world.

This condition strengthens consumer confidence in Apple. That successful people, the best in their fields use Apple cellphones. The image that is formed simultaneously between the endorsed public figure and the quality reputation of Apple mobile phones strengthens both (Son, 2021).

Advertising Strategy Apple Inc

Apple's advertising strategy is very different among its competing technology companies. Reported from (Widya, 2022) that Apple uses User Generated Content (UGC) to promote its products on social media. UGC is a part of the Ownership Advertising type of advertising.

User Generated Content is defined as original content created by consumers of a brand. The content also varies and can be anything, from comments on blogs, photos, and videos. Brand owning companies use that audience-generated content for many purposes. Apple chooses to do marketing without uploading promotional content on its social media, one of which is Instagram. If you look at Apple's official Instagram account, there are almost no promotional uploads containing photos or videos of its products. Apple's social media accounts mostly upload content in the form of photos of natural landscapes.

Promoting products by adapting UGC is a strategy that is said to be far more efficient than conventional content. Basically, the concept of UGC is quite easy and is considered to provide benefits for each party, both companies and users/consumers. The company only re-uploads or reposts uploaded content from its product users.

Promotion without content on social media does not mean not uploading content at all, but the uploaded content is not an advertisement for a product that the company produces itself. By adapting UGC to market products, companies can save on advertising production costs. Meanwhile, consumers can express themselves and express their preferences for a product.

This kind of marketing strategy is not like ordinary advertising campaigns that focus on sales. The campaign using UGC emphasizes user honesty in using the product. This is allegedly able to further influence potential customers to become customers after seeing the experiences of others (Widya, 2022).

Advertising Strategy Apple's next step is to make the most of marketing media. One of the media that Apple pays the most attention to is a special website for iPhone smartphone products. Apple created an official website specifically for the iPhone where users can enter the site to explore all kinds of things about the iPhone, starting from general instructions for using the iPhone, tips and tricks as well as application updates and the latest series. (King of Presentation, 2013).

Apart from these two strategies, Apple is also adapting other strategies, namely product placement on influencers/public figures, and "Buzz" generated by positive reviews in the media. Apple approaches influencers and convinces them that an Apple product or service is very exclusive, valuable and relevant to their audience, then they will share it with their followers (Stephanie, 2022).

Apple understands that technology consumers are often burdened with complex things. Apple helps reduce consumer confusion by simplifying their web and sales copy. Apple completely avoids jargon or industry terms. Instead, they use simple and direct words constantly emphasizing the benefits that consumers really need. This is part of their brilliance at content marketing; high-tech without the term high-tech. This approach doesn't confuse their customers with too much information. Apple keeps it simple and their customers love it earning them loyalty with an unprecedented market share. Even the products themselves remain sleek and minimal,(Stephanie, 2022).

The first ad for the iPad since its launch in 2010 carries the concept of simplicity of content marketing. The advertisement can be seen in the following image.



Figure 2. iPad Ad Display in 2010

The ad content depicts people relaxing in the living room with new gadgets. They look happy and comfortable. They don't talk about display dimensions or processing power, just enjoying their iPad.

The ad, like all of Apple's marketing, gets their consumers where they actually live. Emotional connection is the key to a successful marketing strategy. Apple has built a fan base for any product, anywhere in the world. Apple has created a very successful, fun, and friendly brand personality and culture, in contrast to some of its competitors. Apple's marketing strategy makes customers want to become members of the community so they decide to buy Apple products(Stephanie, 2022).

CONCLUSION

Advertising Strategy implemented by Apple is very diverse and different from its competitors. Apple adapts User Generated Content (UGJ) to promote its products on social media. User Generated Content is defined as original content created by the audience of a brand. The content also varies and can be anything, from comments on blogs, photos, and videos.

Advertising Strategy appliesThe next step is to make maximum use of marketing media. One of the media that Apple pays close attention to is a special website for iPhone products.

Apple has also adapted another strategy, namely product placement on influencers/public figures, which are commonly called endorsements and "buzz" generated by positive reviews in the media.

Apple nonetheless created a simple promotional concept that led to loyal customers with an unprecedented market share. Even the products themselves are kept sleek and minimal, with simple color schemes and clean, uncluttered designs.

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